



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	SB0255	Title:	Revise laws for advancing agricultural education
Primary Sponsor:	Brown, Taylor	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$24,540	\$24,540	\$24,540	\$24,540
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$24,540)</u>	<u>(\$24,540)</u>	<u>(\$24,540)</u>	<u>(\$24,540)</u>

Description of fiscal impact: SB 255 increases the funding for the Advancing Agricultural Education in Montana program by \$49,080 in the 2017 biennium.

FISCAL ANALYSIS

Assumptions:

1. The Advancing Agricultural Education in Montana program currently receives a general fund appropriation of \$128,960 per year in FY 2014 and FY 2015. That appropriation is included in the Office of Public Instruction (OPI) HB 2 appropriations for each year of the 2017 biennium.
2. SB 255 changes the basis for allocation of funding. Currently, \$500 is to be distributed to a school district agricultural education program in the state that completes the national quality program standard evaluation as adopted by rule and submits a plan of improvement to OPI. SB 255 removes that \$500 payment and directs \$1,000 be paid for each full-time equivalent teacher endorsed in agricultural education who teaches approved agricultural education courses through the local agricultural education program.
3. There are approximately 96 full-time equivalent agricultural education teachers in Montana for the 2014-15 school year. This could generate payments of \$96,000 over the 2017 biennium for agricultural education programs that submit a plan of improvement and a detailed budget to increase the quality of its program in each year of the biennium.

4. Currently law directs a payment of \$1,000 be made to each agricultural education program that submits a detailed budget to increase the quality of its agricultural education program based on the plan of improvement. SB 255 directs that payment to be made based on the number of full-time equivalent endorsed agricultural education teachers who teach approved agricultural education courses through the local agricultural education program. The 96 full-time equivalent agricultural education teachers could generate payments of an additional \$96,000 for this component over the 2017 biennium.
5. Current law allows a \$7,500 payment be made to a school district that adds agricultural education to its curriculum and recruits and retains and endorsed agricultural education teacher. This bill adds language to allow an additional payment to a school district of \$7,500 for each additional full-time equivalent teacher endorsed in agricultural education. It is estimated that schools will add ten new agricultural education teachers (10.0 FTE) during the 2017 biennium and will be eligible for a total of \$75,000.
6. SB 255 provides for a payment of \$20,000 per year for program administration. Current law allows \$11,250 per year for program administration.
7. It is assumed for purposes of this fiscal note that the payments in these assumption are for the biennium.
8. Under SB 255, the total estimated cost of the Advancing Agricultural Education in Montana program for the 2017 biennium would be \$307,000. The 2015 legislative base is \$128,960 per year or \$257,920 for the biennium. The net increase in the program as a result of SB 255 is \$49,080 each biennium.

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$8,750	\$8,750	\$8,750	\$8,750
Local Assistance	\$15,790	\$15,790	\$15,790	\$15,790
TOTAL Expenditures	\$24,540	\$24,540	\$24,540	\$24,540
<u>Funding of Expenditures:</u>				
General Fund (01)	\$24,540	\$24,540	\$24,540	\$24,540
TOTAL Funding of Exp.	\$24,540	\$24,540	\$24,540	\$24,540
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$24,540)	(\$24,540)	(\$24,540)	(\$24,540)

Technical Notes:

1. Any agricultural education program that has fewer than 0.75 FTE agricultural education teachers could receive less funding under the proposed allocation mechanism than it does under current law.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date